

## **Historic, Archive Document**

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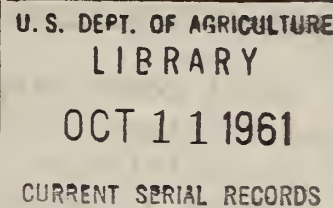


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Action taken*

99-1

Order amended 2-1-61 (\*indicates revised provisions)

FEDERAL MILK ORDER NO. 99  
Worcester, Massachusetts



Marketing Area:

1. All territory, including governmental installations and institutions, in the following Massachusetts cities and towns: Auburn, Boylston, Charlton, Clinton, Dudley, Fitchburg, Gardner, Grafton, Holden, Lancaster, Leicester, Leominster, Lunenburg, Milbury, Northborough, Oxford, Paxton, Princeton, Rutland, Worcester, Shrewsbury, Southbridge, Spencer, Sterling, Sutton, Upton, Webster, Westborough, West Boylston, and Westminster.

Population (1950 Census): 440,297

Principal places are: Worcester, Fitchburg, Leominster, and Gardner, Massachusetts.

Handler:

1. The operator of a regulated plant, including sub-dealers who make fluid milk product route disposition from such plants.
2. The operator of an unregulated distributing plant from which fluid milk products are disposed of in the marketing area.

Producer-Handler:

1. A dairy farmer who operates a plant from which Class I milk received only from his own production or from other Federal order plants in New England (including Worcester) is distributed in the marketing area. Route disposition in this area must exceed that in any other area and: (a) daily average own farm production or Class I sales, whichever is less, cannot exceed 2,150 pounds, or (b) fluid milk products received from New England order plants is not over 2 percent of own farm production.

Producer:

1. Any person, except a producer-handler under any Federal order, a producer of certified milk, and a producer under another Federal order who produces milk received at a regulated plant or normally received at a regulated plant and diverted under specified conditions except a dairy farmer whose milk is delivered to a regulated plant, December-June, from a farm which supplied non-pool milk under any New England Federal order to any plant of such handler during the previous July-November (September-November in 1960).

Regulated (Pool) Plant (except a producer-handler plant or a plant regulated under another order):



1. Distributing plant. A plant from which during the month:
  - a. Total route disposition of Class I milk exceeds 50 percent of its total receipts of fluid milk products, and
  - b. Disposition of Class I milk on routes in the marketing area exceeds 10 percent of receipts from dairy farmers.
2. Supply plant. A plant which ships 30 percent or more of its total producer receipts as fluid milk products to a regulated or unregulated distributing plant, except a producer-handler plant. A plant which qualifies as a supply plant continuously under this or other New England orders July through November (September-November in 1960) is, upon its request, a supply plant under this order in the following December-June.
3. Cooperative association plant.
  - a. A plant operated by a cooperative association and located in the marketing area which has route disposition to consumers not in excess of 2 percent of total fluid milk product receipts other than cream.

Method of Accounting for Milk:

1. Skim milk and butterfat are reported as one total in each class.

Classification:

1. Class I. All skim milk and butterfat:
  - a. Disposed of in the form of a fluid milk product except sweet and sour cream and 50 percent of fluid milk mixtures. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
  - b. Not accounted for as Class II milk.
2. Class II. All skim milk and butterfat:
  - a. Used to produce any product other than a fluid milk product.
  - b. Skim milk dumped, or disposed of for livestock feed.
  - c. In shrinkage of producer and other-source milk not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:
  - a. In the form of packaged fluid milk products are Class I.
  - b. In the form of bulk fluid milk products are Class I to the extent of Class I at the receiving plant.

Transfers to Unregulated Plants:

1. The following transfers of fluid milk products are Class I:
  - a. Transfers to producer-handlers.
  - b. Transfers in consumer packages.
  - c. Transfers of bulk fluid milk products to plants regulated under another New England Federal order or New York-New Jersey order in Class to which assigned under other order.
  - d. Transfers of bulk fluid milk products to plants not regulated under New England or New York-New Jersey orders to the extent of Class I utilization.
  - e. Transfers of bulk fluid milk products to plants in (d) above moved thence to plants outside New England States and New York State.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II subtract receipts from unregulated plants in the following order (remainder is Class I):
  - a. Receipts of cream and nonfluid milk products.
  - b. Receipts of bulk fluid milk products (including nonpool milk received from dairy farmers).
  - c. Receipts of exempt milk, packaged Class I products from other. Federal order plants and Boston bulk fluid milk product receipts are assigned to Class I ahead of producer milk.
2. Compensatory payments. Apply to receipts in Class I under (a) and (b), above. Payment rate: Class I price adjusted by butterfat and location differentials, less: Class II price, adjusted by Class II location and butterfat differentials.

Class Prices: (3.7 percent butterfat test)

1. Basic formula. New England basic Class I price, determined as follows:

- a. New England Economic Index plus or minus 11 cents over New York comparable Class I price at 3.7 percent times supply-demand factor and seasonal percentage divided by 100, times \$0.0567; resulting price, bracketed. (Basic Class I price for November-December cannot be lower than such price for the preceding month.)
- b. Economic index is sum of following divided by 7:

- (1) Wholesale Price Index:

$$\frac{\text{BLS monthly wholesale price index all commodities (1947-49)}}{1.190} \times 3$$

- (2) Disposable Personal Income Index:

$$\frac{\text{Current annual rate per capita disposable personal income (U. S.) (quarterly)}}{\text{times ratio New England to U. S. per capita personal income}}$$

20.50 x 1



(3) Grain-Labor Index is the sum of:

(a) Average price paid by farmers per ton dairy ration  
in the New England region x 0.6, plus:  
.8082

(b) Monthly Rate board and room x 1 )  
Monthly Rate with house x 1 )  
Weekly Rate board and room x 4.33) x 0.4 x 3  
Weekly Rate no board and room x 4.33) 1.9833  
Daily Rate no board and room x 26 )  
5 )

c. Supply-demand: The supply-demand factor is determined by the relationship between the ratios of producer receipts and Class I producer milk at Boston, Connecticut, Southeastern New England, Springfield, and Worcester in the second and third preceding months and base utilization percentages provided. Maximum adjustment is 1.5 percent for each one percent that utilization in the market differs from the standard.

d. Seasonal adjustment. The following seasonal adjustment factors apply:

October, November, and December	1.08
January, February, and September	1.04
August and March	1.00
July	.96
April	.92
May and June	.88

2. Class I. New England basic Class I price plus: 54 cents.

3. Class II. Boston Class II price for the month plus 5.8 cents (201-210 mile zone).

#### Butterfat Differentials:

1. Class I, II, and producer.

a. Boston cream price - 52.5 cents ÷ 330. If cream price is not reported use New York 92-score butter price (16th to 15th) x 0.125.

#### Location Differentials:

1. Class I and producer. Apply to plants located 10 miles from the marketing area; deduct:

- 17.0 cents - 1 to 40 miles
- 34.8 cents - 41 to 50 miles
- 1.2 cents each 10 miles from 51 to 210 miles
- 1.0 cents each additional 10 miles

2. Class II.

- 2.0 cents - 1 to 50 miles
- 3.0 cents - 51 to 100 miles
- 4.5 cents - 101 to 150 miles

- d. 6.0 cents - 151 to 200 miles
- e. 7.0 cents - 201 to 250 miles
- f. 8.0 cents - 251 and over

\*3. Additional location differentials to producers: Apply to farms located in Bristol, Franklin, Hampshire, Hampden, Worcester, Middlesex, Plymouth, or Norfolk Counties in Massachusetts; or in the State of Rhode Island; or east of the Connecticut River in Connecticut; or the towns of Hinsdale, Brookline, Greenville, Hollis, Mason, and New Ipswich in New Hampshire; or Vernon, Vermont; add 46 cents per hundredweight. Above amount is limited so that the producer price is not in excess of Class I price at the plant to which the milk is delivered.

Type of Pool:

- 1. Market wide, monthly pool

Expense of Administration:

- 1. Operators of regulated plants pay administrative costs not to exceed 4 cents per hundredweight of producer milk, exempt milk and fluid milk products and cream from other sources.
- 2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area in excess of purchases of pool receipts priced as Class I under any Federal order.

Special Producer Provisions:

- 1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 3 cents per hundredweight, deductible from non-members must be paid to the market administrator.
- 2. Base payment. No provision.

Special Handler Provisions (Unregulated Plants):

- 1. Plants subject to other Federal orders. Plants which are regulated under other Federal orders are not subject to regulation under this order, except for reports which may be required by the market administrator
- 2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:
  - a. Submit required reports to the market administrator.
  - b. Pay specified administrative assessment - see "Expense of Administration" provision.
  - c. Make compensatory payments:
    - (1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants.





FEDERAL MILK ORDER NO. 104  
Central Arizona

Marketing Area:

1. All territory in the following Arizona counties: Cochise, Graham, Greenlee, Maricopa, Pima, and Pinal; also, part of Yuma County.

Population (1950 Census): 597,055

Principal places are: Phoenix, Tucson, Mesa, Douglas, and Yuma.

Handler:

1. The operator of a regulated plant.

2. The operator of an unregulated distributing plant from which Class I milk is disposed of in the marketing area.

3. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant.

\* 4. If handler status is elected, a cooperative association with respect to members' milk delivered to regulated plants in tank truck controlled by the association.

Producer-Handler:

1. A dairy farmer who operates a plant from which Class I milk received only from his own production or from regulated plants is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority or, regardless of inspection is accepted by an agency of the Federal Government and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant or a plant regulated under another order):

\* 1. Distributing plant.

a. A plant inspected and approved by any health authority and from which during the month:

- (1) Disposition of Class I milk on routes in the marketing area averages over 600 pounds per day and is 25 percent or more of receipts from dairy farmers and other plants; and
- (2) Total route disposition of fluid milk products is 50 percent or more of receipts from dairy farmers and other plants.

b. A plant which supplies Class I milk products to an agency of the United States Government located within the marketing area.

2. Supply plant. A plant inspected and approved by an area health authority for fluid consumption which ships 50 percent or more of its approved receipts from dairy farmers to a regulated distributing plant, July through October, or 20 percent, November through June. A plant which qualifies as a supply plant in the months July through October is a supply plant in the following November through June upon its request.
- \* 3. Cooperative Association plant. A cooperative association plant located in the marketing area if 75 percent or more of its members milk is delivered to other regulated plants.

#### Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

#### Classification:

1. Class I. All skim milk and butterfat:
  - a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
  - b. Not accounted for as Class II milk.
2. Class II. All skim milk and butterfat:
  - a. Used to produce any product other than a fluid milk product.
  - b. Contained in inventories of fluid milk products at the end of the month.
  - c. Dumped, or disposed of for livestock feed upon notification of and verification by the market administrator.
  - d. In shrinkage of producer milk and other source milk not to exceed 2 percent.
  - \* e. In shrinkage of bulk receipts from regulated plants not to exceed 1.5 percent.

#### Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:
  - a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

#### Transfers to Unregulated Plants:

1. The following are Class I:
  - a. Transfers of fluid milk products to producer-handlers.
  - b. Transfers of fluid milk products in consumer packages.



c. Bulk transfers of milk, skim milk, or cream to unregulated plants located in the marketing area or in Imperial County, California, unless another class is claimed by the transferring handler and Class II utilization at the unregulated plant is equal to the transfer. Transfers in excess of Class II utilization are Class I.

d. Bulk transfers of milk, skim milk or cream to plants outside the marketing area and not in Imperial County, California, except such transfers of cream are Class II, if labelled "Grade C".

#### Receipts from Unregulated Plants:

1. Classification. Beginning with Class II after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

- a. Non-fluid milk products.
- b. Fluid milk products.

2. Compensatory payments. Apply to receipts of non-fluid milk products used in Class I. Payment rate: Class I price adjusted by butterfat and location differentials, less, Class II price, adjusted by Class II butterfat differential.

#### Class Prices: (3.8 percent butterfat test)

1. Basic formula. The higher of the following:

- a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent) adjusted to 3.8 percent by direct ratio.
- b. Butter-powder. (Chicago 92-score butter price -3 cents x 4.56) + (Chicago area spray-roller price -5.5 cents x 8.5 x 0.962).

2. Class I. Basic formula price for the preceding month, plus: \$2.75, with a supply-demand adjustment applied to the resulting price. Such adjustment is determined by the relationship between the ratio of producer receipts and gross Class I in second and third preceding months and standard utilization percentages provided in the order. Adjustment is 3 cents for each 1 percent that utilization in the market differs from the standard, with a maximum total adjustment of 50 cents. Lesser adjustments are made for non-cumulative or counter-changes from the preceding period.

3. Class II. Butter-powder price. (Butter price -3 cents x 4.56) + (Spray-roller price -5.5¢ X 8.5 X 0.962).

#### Butterfat Differentials:

- 1. Class I. Chicago 92-score butter price for the preceding month x 0.135
- 2. Class II. Chicago 92-score butter price for the current month x 0.115.
- 3. Producer. Weighted average of Class I and Class II differentials.



Location Differentials:

1. Class I and producer. Apply to plants located 60 miles or more from Tucson deduct.
  - a. 30 cents - 60 to 160 miles.
  - b. 40 cents - 160 to 260 miles.
  - c. 1 cent - each additional 10 miles.

Type of Pool:

1. Market wide, monthly pool.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 4 cents per hundredweight of producer milk and other source milk allocated to Class I.
- \* 2. Operators of unregulated distributing plants pay the same rate on Class I route disposition in the marketing area or on all milk received from dairy farmers, if they elect to make payments to dairy farmers at order prices.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-members must be paid to the market administrator.
2. Base payment. No provision.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order, may, upon request, be unregulated under this order, except for reports which may be required by the market administrator. Supply plants, although qualified under the Central Arizona order, July-October, may request unregulated status if they are regulated under another order.
2. Unregulated plants not subject to other Federal orders. Operators of such plants from which Class I disposition in the marketing area exceeds 600 pounds per day are required to:
  - a. Submit required reports to the market administrator.
  - b. Pay specified administrative assessment - See "Expense of Administration" provisions.
  - \* c. Make compensatory payments:
    - (1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants; or, if the handler so elects.
    - (2) On all milk received from dairy farmers; amount paid is the difference between class value at order prices and payments to dairy farmers.